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Rewald gets March hearing to convince court of CIA role

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Ronald Rewald's March 12 trial yesterday was postponed at least until May.

But U.S. District Judge Harold Fong set March 4 for a major hearing that will be the first legal test of Rewald's claim that the CIA was behind the rise and fall of his investment company and was the cause for the 100 counts of fraud, income tax evasion and perjury against him.

On March 4, Fong said, Rewald's attorney, federal public defender Michael Levine, must prove that the CIA story is relevant to Rewald's defense against the criminal charges.

After that hearing, Fong said, he wants trial to proceed in about 60 to 90 days.

Assistant U.S. Attorney John Peyton, prosecuting the case, called the March 4 hearing a life-or-death date for the Rewald defense.

Prosecutor Peyton said the government will take perhaps two months to call 200 witnesses against Rewald at trial. Judge Fong guessed that the defense could take nearly that long, raising the prospect of a three- to four-month jury trial for Rewald next summer.

Levine asked to put off the March 12 trial date on grounds he has just received an additional \$80,000 budget supplement and only now can probe mountains of documents and question hundreds of witnesses in the case.

Levine said he will file Jan. 18 a 150-page classified request for answers to 1,400 specific questions about the CIA's involvement with Rewald and the firm Bishop Baldwin Rewald Dillingham & Wong.

Rewald says the CIA set up the company for intelligence purposes and then let it collapse, causing loss of some of \$22 million belonging to more than 400 investors.